

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6260-01
Bill No.: HB 2044
Subject: Interstate Cooperation; Business and Commerce; Economic Development
Type: Original
Date: April 20, 2012

Bill Summary: This proposal establishes the Incentives Regionalization Act to provide economic incentives to induce employers to locate within a jurisdiction.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Budget and Planning** assume this proposal proportionately reduces the amount of incentives that any employer moving less than 30 miles from Kansas to Missouri may receive if Kansas enacts similar legislation for businesses moving from Missouri to Kansas. This may have a positive impact on General and Total State Revenues.

Officials at the **Department of Economic Development (DED)** assume this proposal creates a new program, the Incentives Regionalization Act, which provides economic incentives to induce employers to locate within a jurisdiction. DED is unable to determine the exact fiscal impact this proposal will have on Total State Revenues because there is no way to know how many companies may utilize this program. Therefore, DED assumes an unknown positive fiscal impact offset by an unknown negative fiscal impact as a result of the legislation. There is no direct fiscal impact to DED.

Officials at the **City of Kansas City** assume there is no fiscal impact from this proposal.

Officials at the Cass County, Clay County, Jackson County and Platte County did not respond to **Oversight's** request for fiscal impact.

Oversight assumes this proposal may have an impact on the state. However, Oversight considers this to be indirect impact of the proposal and will not reflect it in this fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

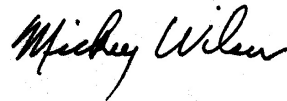
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Budget and Planning
City of Kansas City
Department of Economic Development

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 20, 2012